

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
(EASTERN DIVISION)

)	
In re:)	
)	Chapter 11
QUINCY MEDICAL CENTER, INC.,)	
QMC ED PHYSICIANS, INC.,)	Case No. 11-16394-MSH
QUINCY PHYSICIAN CORPORATION,)	
)	(Jointly Administered)
Debtors.)	
)	

DEBTORS' ASSENTED-TO MOTION FOR ORDER (A) SCHEDULING HEARING ON DISCLOSURE STATEMENT, (B) ESTABLISHING OBJECTION DEADLINE, (C) SHORTENING NOTICE PERIOD, AND (D) APPROVING FORM OF NOTICE [EXPEDITED DETERMINATION REQUESTED]

Quincy Medical Center, Inc., QMC ED Physicians, Inc. and Quincy Physician Corporation (the "Debtors" or the "Company"), with the assent of the Official Committee of Unsecured Creditors of the Company (the "Committee") and U.S. Bank, National Association, as Indenture Trustee for the Company's 2008 MHEFA bond issuance (the "Indenture Trustee"), hereby move on an expedited basis pursuant to Fed. R. Bankr. P. 2002(b) and 3017(a) and MLBR 9013-1(e)(2) and (g)(1) for entry of an order, substantially in the form attached hereto as Exhibit A (the "Proposed Order"), that (i) schedules a hearing on or before August 31, 2011 to consider approval of the proposed disclosure statement (the "Disclosure Statement") filed with respect to the Debtors' Plan of Liquidation (the "Plan") that the Debtor expects to file on or about August 10, 2011, (ii) establishes a deadline for objections to the Disclosure Statement that is two business days prior to the scheduled hearing, (iii) shortens the notice period with respect to the hearing and objection deadline such that mailing of notice thereof within one business day after entry of the Proposed Order will be deemed sufficient notice, and (iv) approves the form of notice of the hearing and objection deadline. Because of the essentially administrative nature of the Proposed Order under

the circumstances, and in view of the principal parties in interest having assented to its entry, the Company respectfully requests that this Court grant this Motion and enter the Proposed Order without requiring a hearing, or that, if this Court determines to conduct a hearing on this Motion, that the hearing be scheduled promptly. In support of this Motion, the Company states as follows:

Background

1. On July 1, 2011 (the “Petition Date”), each of QMC, QED and QPC filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Massachusetts. Their Chapter 11 cases are being jointly administered for procedural purposes only. Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Company continues to manage its businesses and financial affairs as debtors-in-possession.

2. The Company is a non-profit corporation formed to provide quality medical care, including emergency care, to the Quincy, Massachusetts community and surrounding communities. QMC’s signature asset is its 196-bed acute care hospital (the “Hospital”) located in Quincy, Massachusetts. QMC operates the Hospital, and related medical and health care facilities. QED and QPC are captive entities as to QMC. Their sole purpose is to own certain third-party payor contracts and provider numbers under which QMC services are billed to third-party payors, and, except for QED’s nominal ownership interest in a business trust incident to its clinical affiliation with Boston Medical Center, neither QED nor QPC own any assets other than these provider numbers and contracts, nor do they have any other business relationships. All of the revenues generated under the provider numbers and contracts are remitted to QMC. QMC, QED and QPC operate as a single business enterprise—Quincy Medical Center—and to that end have administered their business and financial affairs on a consolidated basis; the Company accounts for all operations and financial matters on a consolidated basis and maintains no separate accounting of QED or QPC revenues or expenses.

3. The Company has filed for Chapter 11 for the purpose of consummating a sale of its assets on a going concern basis to Steward Medical Holdings Subsidiary Five, Inc. (“Steward”). The Company selected Steward as the best-qualified acquirer of the Company’s business after conducting, with the assistance of its financial and legal advisors, an extensive solicitation process directed toward identifying the potential acquirer best able to promote the interests of the Company and its stakeholders, taking into account such factors as financial considerations, and commitments to improve the Hospital’s physical plant and to promote the Company’s non-profit mission to provide quality medical care to the Quincy community. A more detailed explication of the Company’s mission as a non-profit hospital, the circumstances leading to its decision to find an acquiring partner, and its selection of Steward as its preferred partner, are set forth in the Company’s sale motion filed on the Petition Date [Docket No. 8].

4. The Company intends to file the Plan and the accompanying Disclosure Statement by August 10, 2011. The Debtors believe that the Plan will be the product of a consensual deal among the Debtors, the Indenture Trustee and the Committee that will provide for the distribution of all of the assets of the estates and provide for a material recovery to general unsecured creditors. The Plan will also provide for the administration of the remaining assets of the Company’s bankruptcy estate, including through liquidation of the Company’s remaining unrestricted assets such as causes of action under the Bankruptcy Code, and administration of restricted assets such as donor-restricted funds in accordance with applicable state law.

5. Given the consensual nature of and the benefits to all creditors to be achieved under the Plan, the Debtors, the Indenture Trustee and the Committee desire that the plan process be completed as expeditiously as possible. Further, the Interim Order governing the Company’s use of cash collateral [Docket No. 60, as extended by Docket Nos. 112 and 174] (the “Interim Order”)

provides that the Debtors obtain an order approving the Disclosure Statement by August 25, 2011.¹ Prompt consideration of the Plan and Disclosure Statement will allow for distribution of sale proceeds to all of the Company's creditors and completion of these chapter 11 cases in an efficient and cost effective manner.

Relief Requested

6. In order to (i) promote the prompt consideration and confirmation of the Plan by October 1, 2011, when the Company currently anticipates the sale transaction will be ready to close (ii) promote the prompt distribution of sale proceeds to all creditors, and (iii) enable the Company to meet its obligations under the Interim Order, and otherwise, it is necessary, and in the best interests of the creditors and these estates to expedite the plan confirmation process. This can be achieved through a reduction in the 28-day notice period provided for under Fed. R. Bankr. P. 2002(b) and 3017 with respect to (i) the hearing to consider approval of the Disclosure Statement, and (ii) the hearing to consider confirmation of the Plan. By this Motion, the Company seeks shortened notice with respect to the Disclosure Statement only. (The Company will seek a schedule for Plan confirmation in connection with the order approving the Disclosure Statement.) The Company believes that shortened notice is in the best interests of creditors, as it will promote the cost-effective administration of this Chapter 11 case and the prompt distribution of sale proceeds to the Company's creditors. By their assent to this Motion, each of the Indenture Trustee and the Committee have indicated their support for shortened notice.

WHEREFORE, the Company respectfully requests that this Court grant this Motion on an expedited basis without requiring a hearing, through entry of the Proposed Order that (i) schedules a hearing on or before August 31, 2011 to consider approval of the Disclosure Statement, (ii)

¹ Upon entry of a final order approving continued use of cash collateral, the Debtors anticipate that this deadline will be extended to August 31, 2011.

establishes a deadline for objections to the Disclosure Statement that is two business days prior to the scheduled hearing, (iii) shortens the notice period with respect to the hearing and objection deadline such that mailing of notice thereof within one business day after entry of the Proposed Order will be deemed sufficient notice, (iv) approves the form of notice of the hearing and objection deadline attached hereto as Exhibit B, and (v) provides such other appropriate relief as determined by this Court.

Dated: August 5, 2011

Respectfully submitted,

QUINCY MEDICAL CENTER, INC.
QMC ED PHYSICIANS, INC.
QUINCY PHYSICIAN CORPORATION
By their attorneys,

/s/ A. Davis Whitesell

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ASSENTED TO:

OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
By its proposed attorneys,

/s/ Jeffrey D. Sternklar

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By its attorneys:

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By: /s/ Matthew Micheli

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Exhibit A

PROPOSED ORDER

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
(EASTERN DIVISION)

)	
In re:)	
)	Chapter 11
QUINCY MEDICAL CENTER, INC.,)	
QMC ED PHYSICIANS, INC.,)	Case No. 11-16394-MSH
QUINCY PHYSICIAN CORPORATION,)	
)	(Jointly Administered)
Debtors.)	
)	

**ORDER REGARDING HEARING TO CONSIDER APPROVAL
OF DISCLOSURE STATEMENT, AND RELATED MATTERS**

Upon consideration of the Debtors' Assented-to Motion for Order (A) Scheduling Hearing on Disclosure Statement, (B) Establishing Objection Deadline, (c) Shortening Notice Period, and (D) Approving Form of Notice (the "Motion") filed by Quincy Medical Center, Inc. ("QMC"), QMC ED Physicians, Inc. ("QED") and Quincy Physician Corporation ("QPC" and, with QMC and QED, the "Debtors" or the "Company"), whereby the Company seeks scheduling of a hearing to consider approval of the proposed disclosure statement (the "Disclosure Statement") filed with respect to the Company's plan of liquidation filed concurrently with the Motion; notice of the Motion having been provided to (a) the Office of the United States Trustee; (b) counsel to the Creditors' Committee; (c) counsel to the Massachusetts Attorney General; (d) taxing authorities; (e) all known secured creditors; and (f) all entities that have requested notice in these cases; the Motion having the assent of the Creditors' Committee and the Indenture Trustee for the Company's 2008 MHEFA bond issue, whose constituencies encompass the major economic interests in the Company's Chapter 11 case; having considered the relief requested by the Motion and in view of the essentially administrative nature of the requested relief; and after due deliberation and sufficient cause appearing therefore; it is hereby

ORDERED, that:

1. The Motion is granted.
2. The hearing to consider approval of the Disclosure Statement is scheduled before this Court on _____, 2011 at _____ .m. (the “Disclosure Statement Hearing”).
3. The deadline to file objections to the Disclosure Statement is _____, 2011 at _____ p.m. (the “Objection Deadline”).
4. Notice of the Disclosure Statement Hearing and the Objection Deadline in substantially the form of Exhibit B to the Motion (the “Notice”) is approved, and such notice shall be deemed good and sufficient notice of such matters if transmitted by United States first class mail within one business day after entry of this Order to all creditors and other parties in interest.

Dated: August _____, 2011

Honorable Melvin S. Hoffman
United States Bankruptcy Judge

Exhibit B

PROPOSED NOTICE

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS
(EASTERN DIVISION)

_____)	
In re:)	
)	Chapter 11
QUINCY MEDICAL CENTER, INC.,)	
QMC ED PHYSICIANS, INC.,)	Case No. 11-16394-MSH
QUINCY PHYSICIAN CORPORATION,)	
)	(Jointly Administered)
Debtors.)	
_____)	

**NOTICE OF HEARING TO CONSIDER APPROVAL OF
DISCLOSURE STATEMENT, OBJECTION DEADLINE, AND RELATED MATTERS**

PLEASE TAKE NOTICE that the hearing to consider approval of the proposed form of Disclosure Statement Regarding Plan of Liquidation of Quincy Medical Center, Inc. et al. dated August __, 2011 (the "Disclosure Statement") is scheduled for **August __, 2011 at _____.m.**, before the Honorable Melvin S. Hoffman, United States Bankruptcy Judge, at the United States Bankruptcy Court for the District of Massachusetts, Courtroom No. 3, 3rd Floor, Donohue Federal Building, 595 Main Street, Worcester, Massachusetts.

PLEASE TAKE FURTHER NOTICE that August __, 2011 at 4:30 p.m. is fixed as the deadline for filing and serving in accordance with Fed. R. Bankr. P. 3017(a) written objections to the Disclosure Statement.

PLEASE TAKE FURTHER NOTICE that the Disclosure Statement and the related Plan of Liquidation are on file at the Office of the Clerk, United States Bankruptcy Court, Donohue Federal Building, 595 Main Street, Room 211, Worcester, MA 01608-2076, and copies may be obtained from undersigned counsel to the Debtor. The Disclosure Statement and Plan may also be reviewed and downloaded from the Court's Pacer website or at the website dedicated to these bankruptcy cases that has been established by Epiq Bankruptcy Solutions, LLC, the claims, notice and balloting agent for the Debtors. This website address is <http://dm.epiq11.com/qmc>.

Dated: August __, 2011

QUINCY MEDICAL CENTER, INC.
QMC ED PHYSICIANS, INC.
QUINCY PHYSICIAN CORPORATION,
By their attorneys,

/s/ A. Davis Whitesell
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